used in a manner compatible with the goal of permanent school fund lands in section 2. By January 15, 1986, the commissioner shall prepare a report containing the inventory and recommendations to use the permanent school fund land in a manner that is compatible with the goal of the permanent school fund land. The report must be submitted to the education, agriculture and natural resources, and finance committees of the senate and the education, environment and natural resources, and appropriations committees of the house.

Approved May 14, 1985

## CHAPTER 117 — H.F.No. 603

An act relating to non-intoxicating malt liquor; permitting holders of on-sale and off-sale intoxicating liquor licenses to sell non-intoxicating malt liquor without further license; defining low alcohol malt liquor and prescribing labeling; amending Minnesota Statutes 1984, sections 340.02, subdivisions 2 and 3; and 340.07, by adding a subdivision.

# BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

- Section 1. Minnesota Statutes 1984, section 340.02, subdivision 2, is amended to read:
- Subd. 2. "ON-SALE" FEES. Retail "on-sale" licenses shall permit the licensee to sell such non-intoxicating malt liquors for consumption on the licensed premises, and the license fee therefor shall be fixed by and paid to the county or municipality wherein the premises are situated. "On-sale" licenses shall be granted only to drug stores, restaurants, hotels, bona fide clubs, and establishments for the sale of non-intoxicating malt beverages, cigars, cigarettes, all forms of tobacco, beverages, and soft drinks at retail. Any person licensed to sell intoxicating liquor at on-sale shall not be required to obtain an on-sale license under this subdivision, and may sell non-intoxicating malt beverages at on-sale without further license. A club or charitable, religious, or non-profit organization may be issued a temporary "on-sale" license for the sale of non-intoxicating malt liquor on and off school grounds, and in and out of schoolhouses and school buildings. The temporary licenses shall be subject to such terms, including a license fee, as the issuing county or municipality shall prescribe.
- Sec. 2. Minnesota Statutes 1984, section 340.02, subdivision 3, is amended to read:
- Subd. 3. "OFF-SALE"; FEES. Retail "off-sale" licenses shall permit the licensee to sell non-intoxicating malt liquors in original packages for consumption off the premises only, and the license fee therefor shall be fixed by and paid to the county or municipality wherein the premises are situated. Any

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person licensed to sell intoxicating liquor at off-sale shall not be required to obtain an off-sale license under this subdivision, and may sell non-intoxicating malt beverages at off-sale without further license.

Sec. 3. Minnesota Statutes 1984, section 340.07, is amended by adding a subdivision to read:

Subd. 18. "Low alcohol malt liquor" means a fermented malt beverage containing two percent or less of alcohol by weight. Notwithstanding any law or rule to the contrary, if either; (a) the term "low alcohol" appears on the label of the beverage container; or (b) a brewer has provided written certification to the department of public safety establishing an alcoholic content of two percent or less by weight; no further label shall be required on that container.

#### Sec. 4. EFFECTIVE DATE.

This act is effective the day following final enactment.

Approved May 14, 1985

#### CHAPTER 118 — H.F.No. 649

An act relating to St. Louis county; fixing the maximum amount of the county emergency fund; amending Minnesota Statutes 1984, section 383C.016.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1984, section 383C.016, is amended to read:

# 383C.016 EMERGENCY FUND.

There is hereby established an emergency fund of not to exceed \$20,000 \$100,000 and the county board is authorized to levy an amount only sufficient to replenish this fund at the beginning of each fiscal year, which fund shall not be itemized and may be expended by transfer to any item in any fund but only by a unanimous vote of the county board and only for purposes for which the county is legally authorized to expend money, and only in case of actual emergency arising from the exhaustion of any item from unforeseen demands which cannot be provided for by transfers from other items within the same fund.

#### Sec. 2. LOCAL APPROVAL.

Section 1 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the St. Louis county board.

Approved May 14, 1985

Changes or additions are indicated by underline, deletions by strikeout.